

Message Text

PAGE 01 STATE 171409

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FM SECSTATE WASHDC

TO AMEMBASSY SAIGON

INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

TREASURY

USSAGE NKP

CINCPAC

COGARD

XMT AMEMBASSY SUVA

AMEMBASSY RANGOON

UNCLAS STATE 171409

COGARD FOR POLAD

E.O.11652:N/A

TAGS: PFOR, XC,US

SUBJECT: AUGUST 6 EA PRESS SUMMARY

INDOCHINA

1. "PESSIMISTIC" SFRC STAFF REPORT SEES LITTLE CHANCE
OF SVN ACHIEVING EITHER PEACE OR PROSPERITY FOR
MANY YEARS, PREDICTS CONTINUED HEAVY FIGHTINGSINCE
BOTH SIDES IMPROVE COMBAT CAPABILITIES AND FREELY
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PAGE 02 STATE 171409

VIOLATE C-F.FORESEES NO POSSIBILITY OF SVN ECONOMY
NEARING SELF-SUFFICIENCY BY 1980 SINCE PROJECTION
BASED ON UNREALISTIC ASSUMPTIONS ABOUT AID FROM
OTHER SOURCES; CLAIMS SOME US-BACKED ECON POLICIES

HINDER DEVELOPMENT SINCE WE "FILL" FISCAL AND TRADE DEFICITS AND PERMIT GVN TO GET BY WITHOUT ECON RESTRUCTURING AND COHERENT DEVELOPMENT PLAN; SAYS COUNTRY HAS GREAT ECON POTENTIAL BUT KEEPS ONE MILLION UNDER ARMS AND GENERALS REFUSE TO GIVE AUTHORITY AND RESOURCES TO CIVILIANS. AUTHORS MOOSE AND MEISSNER DON'T FORESEE MAJOR NVA OFFENSIVE THIS YEAR OR NEXT UNLESS GVN SHOWS SIGNS OF DETERIORATING FOR ECON OR OTHER REASONS. REPORT COMPLAINS THAT US ECON AID EMPHASIS OF "RECONSTRUCTION AND DEVELOPMENT" THIS FY IS MOSTLY COSMETIC CHANGE SINCE FUNDS AS USUAL WILL GO FOR IMPORT FINANCING AND REGULAR BUDGET ITEMS RATHER THAN PROJECTS TO INCREASE PRODUCTIVITY (WSJ).

STERN (WP) STATES THAT STUDY CHARGES AMEMBASSY SAIGON WITH "DOCTORING" REPORTS TO WASHINGTON ON WANING SECURITY AND C-F VIOLATIONS, CITES "SUBSTANTIAL DELETIONS" IN INFO FROM CONSULS GENERAL IN MIL REGIONS. MOOSE AND MEISSNER TELL SFRC ON BASIS OF INVESTIGATION THAT LONG-STANDING TENDENCY OF EMBASSY TO IDENTIFY WITH GVN POLICIES IS STILL APPARENT. STATE THAT REPORTING PATTERN WAS TO MINIMIZE GVN C-F VIOLATIONS AND PLAY UP ITS MIL SUCCESSES, AND DOWNPLAY FIELD REPORTS OF WEAKENING CENTRAL AUTHORITY AND LOCAL "ACCOMMODATIONS" BETWEEN GOVT AND COMMUNIST UNITS. REPORT CITES SPECIFIC CASES, CONCLUDES THAT LITTLE HOPE FOR NEGOTIATED SETTLEMENT EXISTS AND ASSERTS THAT ONLY HOPE FOR IMPLEMENTING C-F WAS AGREEMENT AMONG US, USSR AND CHINA TO REDUCE MIL ASSISTANCE TO BOTH SIDES. DISCLOSES COMMUNIST AA BUILDUP REDUCES VNAF TACAIR EFFECTIVENESS, AND CITES INTELLIGENCE ESTIMATE THAT USSR AND PRC MIL AND ECON AID TO NVN IN 1973 AMOUNTED TO 715 MILLION WHILE SIMILAR US AID TO SVN FOLLOWING YEAR WAS 1.65 BILLION.

NYT'S GWERTZMAN QUOTES REPORT CRITICISM THAT EMBASSY UNCLASSIFIED

PAGE 03 STATE 171409

REPORTS ADHERE TOO CLOSELY TO GVN OFFICIAL LINE AND THAT OVER THE YEARS HAVE ACQUIRED REPUTATION WITH BOTH OFFICIAL AND UNOFFICIAL OBSERVERS FOR CLOSE IDENTIFICATION WITH SVN POLICIES. REPORT, BASED ON MAY 12 - JUNE 4 VISIT BY STAFFDEL, SEES PRESENT MIL CONFRONTATION CONTINUING WITH SVN UNABLE TO EXPEL NVN FORCES AND COMMUNISTS UNABLE TO ACQUIRE "DECISIVE EDGE" TO DEFEAT GVN MILITARILY. STUDY DOUBTS AMB. MARTIN'S PREDICTION THAT 750 MILLION DOLS IN ECON AID THIS FY WOULD PERMIT SVN ECONOMY "TAKEOFF." GWERTZMAN BELIEVES SECTION ON AID IS SURE TO BECOME CONTROVERSIAL BECAUSE SFRC BEGAN "MARKING UP" FOREIGN AID AUTHORIZATION BILL TODAY AND HFAC DOING SAME.

SAYS "MANY VOICES" IN CAPITOL PREDICT 750 MILLION FIGURE UNREALISTIC AND THAT 500-MILLION RANGE IS ALL ADMIN CAN HOPE FOR. REVIEWS MARTIN'S RECENT EFFORTS IN WASHINGTON ON ECON AID.

GWERTZMAN SAYS STUDY COMPARES REPORTS FROM FIELD TO EMBASSY WITH THOSE FROM EMBASSY TO WASHINGTON AND FINDS THAT "ONE CONSISTENT PATTERN EMERGES" -- TENDENCY TO PLAY DOWN OR IGNORE GVN C-F VIOLATIONS. STAFF MEMBERS REPORT THAT BOTH IN STAFFDEL BRIEFING AND IN REPORTS,

EMBASSY FOLLOWS GVN LINE IN JUSTIFYING MEASURES WHICH PRECIPITATED TEMPORARY BREAKDOWN OF SVN-VC TALKS IN PARIS AND SAIGON; CITE FALL OF TONG LE CHAN BEFORE "MASSIVE" NVN FORCES AS EXAMPLE; WITHIN FEW DAYS WIDELY KNOWN IN SAIGON AND REPORTED IN US PRESS THAT GVN HAD WITHDRAWN WITH NO LOSSES. COMMUNISTS SAID THAT NO BATTLE WAS FOUGHT; EMBASSY REPORTED "BOMBARDMENT AND FALL" TO WASHINGTON. STUDY QUOTES DIPLOMATS IN SAIGON THAT TONG LE CHAN INCIDENT AND OTHERS WERE PART OF DELIBERATE GVN EFFORT, "ASSISTED BY THE UNITED STATES EMBASSY," TO IMPRESS CONGRESS ON NECESSITY TO AUTHORIZE MORE SVN MIL AID. REPORT ALSO SAYS BETWEEN OCTOBER 1972, AND JANUARY 1973, US SUPPLIED 753.3 MILLION IN EQUIPMENT, MOST OF WHICH WAS NOT WELL UTILIZED, AND QUOTES "KNOWLEDGABLE OFFICIAL" THAT IT IS "SITTING AROUND RUSTING."

UNCLASSIFIED

PAGE 04 STATE 171409

HEAVY FIGHTING TAKES PLACE SOUTH OF DA NANG WITH MAIN ACTIVITY NEAR DUC DUC (CSM). MIL SOURCES SAY SVN FORCES RECAPTURE OUTPOSTS TWO-TO-THREE MILES SE OF DUC DUC (AP NYDN, NYPOST 8/5)- COUNTERATTACKING ARVN GAINS GROUND NEAR DUC DUC BUT THREAT FROM VC AND NVA NOT LESSENER (WP; CHITRIB; UPI, NYT). REFUGEES FLOOD INTO DA NANG; ARVN BACKED BY HEAVY AIR AND ARTILLERY STRIKES (UPI, PHINQ).

3. IN RESPONSE TO GVN ANNOUNCEMENT THAT IT WOULD CONSIDER OVERRUNNING OF DUC DUC OR THUONG DUC AS "ABOLITION" OF C-F, VC SPOKESMAN IN SAIGON SAYS COMMUNIST FORCES WILL "PUNISH SAIGON ARMY...WHERE THE PEOPLE ARE THREATENED" (UPI, PHINQ). THIEU SAYS FIGHTING ALONG NORTHERN COAST IS BEGINNING OF GENERAL OFFENSIVE, COMPARES IT TO TET 1968, DECLARES "THEY THINK THE ALLIES CAN NO LONGER HELP US" (AP, NYPOST 8/5; WP).

4. MCCOMBS (WP) AT DA NANG RECALLS RECENT TRIP TO VC IN AREA WHERE FIGHTING NOW RAGES, QUOTES OBSERVERS THAT FIGHTING IS LARGEST-SCALE NEAR DA NANG AND FIRST TIME THERE THAT NVA UNITS COMMITTED SINCE C-F.

SINCE THESE ARE BEST COMMUNIST UNITS, BELIEVES THEY ARE SERIOUS ABOUT INTENTIONS. BUT THERE ARE MANY THEORIES ABOUT REASONS: THEY WANT TO ATTACK DA NANG, OR CUT HIGHWAY 1, OR ARE PRACTICING FOR GENERAL OFFENSIVE. MCCOMBS SAYS THESE MAY BE TRUE, BUT SEES TWO MORE IMPORTANT REASONS: TO GRAB PEOPLE TO LIVE IN SPARSELY-POPULATED VC AREAS, AND RETALIATION FOR GVN C-F VIOLATIONS AS STATED BY VC. DESCRIBES HAVOC WROUGHT BY WAR, IN CONTRAST TO FORMER VC CLAIM THAT OBJECTIVE WAS TO GET LIFE FOR PEOPLE IN AREA BACK TO

NORMAL. REFUGEES DESCRIBE "PEOPLE-GRABBING" BY VC WHEN VILLAGES TAKEN; CHECKPOINTS ARE SET UP TO KEEP INHABITANTS FROM FLEEING AND TRUCKS HAUL THEM TO "LIBERATED AREA." REFUGEES MADE IT CLEAR TO MCCOMBS THAT THEY WERE MORE AFRAID OF BEING TAKEN AWAY BY VC THAN OF FIGHTING. VC NEED PEOPLE, EARLIER SAID THAT MANY DIDN'T ENTER THEIR ZONE BECAUSE PREVENTED BY GVN.

UNCLASSIFIED

PAGE 05 STATE 171409

ARTICLE DISCUSSES VC CLAIMS OF RECENT GVN C-F VIOLATIONS IN AREACITES CONFIRMATION BY "WELL INFORMED, NON-COMMUNIST SOURCE" THAT GVN SET UP OUTPOSTS AFTER C-F.

5. FIELD REPORTS SAY FANK FIGHTS REBELS WHO TRY TO BLOCK ROUTE 1 ABOUT 23 MILES SE OF PP; MINE KILLS 17 GKR SOLDIERS 47 MILES SW OF CAPITAL, AND THEN AMBULANCE DRIVER RUSHING TO SCENE KILLED BY ANOTHER MINE (AP, NYDN).

KOREA

6. TUFTS U PROF GREGORY HENDERSON TELLS HFA FRASER/NIX SUBCOMMITTEES THAT TO CANCEL US MIL AID TO SK "WOULD NOT DANGEROUSLY WEAKEN" ITS GOVT. CONTENTS SK IS ALREADY "MOST HEAVILY ARMED 85,000-SQUARE-MILES IN THE WORLD" AND "IT IS APPALLING" THAT US POLICY "REMAINS A JEJUNE REINVOCATION OF COLD WAR REACTIONS WITHOUT FRESH NEW CONSTRUCTIVE THINKING." IN TESTIMONY MONDAY, REPS. MEEDS AND UDALL JOINED FRASER IN CALLING FOR ALTERNATIVE TO ADMIN POSITION OF CONTINUING MIL AID TO ROKG (WP'S ROTMAN).

7. IN SEOUL, 10 TOP PROTESTANT LEADERS WRITE PARK PLEADING THAT HE "RESTORE DEMOCRATIC ORDER" AND RELEASE STUDENTS AND CHRISTIAN LEADERS FROM JAIL (ROTMAN).

CHINA

8. HEARST'S WALLACH REPORTS USDA DISCLOSURE THAT

US TRADE WITH PRC FOR FIRST TIME HAS SURPASSED US TRADE WITH SOVIET -- TOTALING 570.9 MILLION DOLS IN FIRST HALF 1974 COMPARED TO 504.2 MILLION DOLS TOTAL TRADE WITH SOVIET FOR SAME PERIOD. SAYS IF TREND CONTINUES, AS USDA OFFICIALS PREDICT, CHINA TRADE MAY TOP 1.2 BILLION DOLS IN 1974 OR OVER 12 TIMES 92 MILLION DOLS TOTAL IN 1972 -- YEAR OF NIXON CHINA VISIT. OFFICIALS ATTRIBUTED INCREASE IN CHINA TRADE TO DELIVERY OF FIVE MORE BOEING JETS AND FIRST-TIME-UNCLASSIFIED

PAGE 06 STATE 171409

EVER SALE TO PRC OF MINING MACHINERY AND GIANT FERTILIZER PLANTS. THEY DISCLOSED THAT PROGRESS HAS BEEN MADE ON CONTROVERSIAL CHINESE BID TO BUY LARGE US HELICOPTERS FOR POSSIBLE PATROL USE ALONG SOVIET BORDER, BUT THEY REFUSED TO SAY WHETHER DEAL IS CLOSE TO COMPLETION.

WALLACH SAYS WHEN USDA POLICYMAKER WAS ASKED ABOUT POLITICAL RAMIFICATIONS OF US-PRC TRADE SURPASSING US TRADE WITH SOVIET, HE SAID: "KISSINGER POLICY IS TO TREAT THEM WITH EVEN-HANDEDNESS. THAT DOESN'T MEAN GIVING THEM EVERYTHING THE RUSSIANS GET OR VICE VERSA" (BOST H-A, 8/2).

9. NYT CARRIES FINANCIAL TIMES OF LONDON REPORT THAT PEKING STILL HAS NOT DECIDED WHAT ITS LONG-TERM POLICY WILL BE ON FOREIGN CREDITS AND BORROWED FINANCE AND TECHNOLOGY FROM WEST.

10. REUTER (PEKING) REPORTS DRAFTS OF NEW CONSTITUTION ARE CIRCULATING WITHIN CHINA, ACCORDING RELIABLE SOURCES; AND OBSERVERS TAKE THIS AS FRESH SIGN THAT ACTIVE PREPARATIONS ARE UNDER WAY FOR NPC MEETING (CHITRIB, NYT, NYPOST 8/5).

11. PRC ANNOUNCES DEATH OF HSIEH FU-MIN, NPC MEMBER AND CHAIRMAN OF ITS NATIONALITIES COMMITTEE (REUTER, NYT).

12. CSM'S HAYWARD, IN NEW DELHI, REPORTS THAT PRC-INDIA RELATIONS REMAIN AT "CHILLY STANDSTILL," AND ARE UNLIKELY TO IMPROVE SO LONG AS INDIA RETAINS CLOSE RELATIONS WITH SOVIET. FINDS LARGE PRC EMBASSY ESTABLISHMENT IN NEW DELHI THINLY POPULATED, WHEREAS SOVIET OFFICIALS AND COMMERCIAL DELEGATIONS ARE MUCH IN EVIDENCE IN MANY PARTS OF COUNTRY. SAYS SOVIET PERSONNEL IN COUNTRY DO NOT HESITATE TO CRITICIZE CHINA, BUT CHINESE MAKE NO EFFORT TO COUNTERACT THIS. ADDS THAT SOVIET PRESENCE TENDS TO REDUCE INDIAN FEAR OF ANOTHER PRC MILITARY THREAT; BUT EDUCATED INDIANS FEEL THEY HAVE MUCH TO LEARN FROM CHINA. PEKING HAS MADE NO SECRET OF ITS DISDAIN FOR NEW

UNCLASSIFIED

PAGE 07 STATE 171409

CONSTITUTION IT CLAIMS INDIA IMPOSED IN SIKKIM, CHARGING INDIA CONCOCTED IT AS PRETEXT TO ANNEX SIKKIM. HAYWARD SEES SUCH COMMENTS UNDERSCORING PEKING'S PRESENT UNWILLINGNESS TO RESPOND TO MRS. GANDHI'S OLIVE BRANCH.

JAPAN

13. AP TOKYO (WP; NYP AUG. 5) REPORTS OBSERVANCE

OF 29TH ANNIVERSARY OF ATOM BOMB DROPPON HIROSHIMA (ALSO AP HIROSHIMA, SUN). REUTER HIROSHIMA REPORTS HIROSHIMA MAYOR YAMADA SAYING OVER LIVE TV THROUGHOUT JAPAN THAT HE PLANS TO ASK UN CONVENE EMERGENCY CONFERENCE TO DRAW UP TREATY FOR TOTAL BAN ON NUCLEAR WEAPONS; HE CALLED ON US, USSR, CHINA, FRANCE, UK AND INDIA TO HALT ATOMIC EXPERIMENTS AT ONCE. ADDED THAT HE WILL ASK GOJ IMMEDIATELY TO RATIFY NUCLEAR TEST BAN TREATY. REUTER REPORTS THAT ANOTHER 600 NAMES WERE ADDED TO LIST OF ATOMIC BOMB VICTIMS IN CITY'S PEACE MEMORIAL PARK, BRINGING TOTAL NUMBER RECORDED TO 80,763. CITY OFFICIALS BELIEVE, HOWEVER, THAT REAL DEATH TOLL WAS ABOUT 200,000.

14. REUTER TOKYO (CSM; NYP AUG 5) REPORT USSR INFORMING TOKYO IT'S HOLDING JAPANESE FISHING BOAT WITH 13-MAN CREW REPORTED MISSING IN JAPAN SEA FOUR DAYS AGO -- 18TH JAPANESE FISHING CRAFT CAPTURED BY SOVIET PATROL BOAT OFF NORTHERN JAPAN THIS YEAR. COAST GUARD SPOKESMAN SAYS 71 MEN AND AT LEAST 10 VESSELS STILL BEING HELD BY SOVIET.

15. WP'S MARDER, NYT'S BINDER, SUN'S MILLS, AND JOC'S SKARTVEDT REPORT EB ASST. SECY ENDERS TELLING NEWSMEN THAT 12 MAJOR OIL CONSUMING NATIONS (INCLUDING JAPAN) HAVE REACHED SUBSTANTIAL AGREEMENT TO SHARE OIL FROM ALL SOURCES IF THERE IS NEW THREAT TO SUPPLIES.

16. NYT'S CHAPIN CITES GOJ-COMMISSIONED REPORT BY BOSTON CONSULTING GROUP THAT CLIMATE FOR JAPANESE INVESTMENT IN US IS "STABLE AND BENIGN"; FORECASTS THAT LEVEL OF DIRECT JAPANESE INVESTMENT WILL REACH 6-7 BILLION DOLLARS BY 1980. REPORT SAYS JAPAN IS ENTERING FUNDAMENTALLY NEW UNCLASSIFIED

PAGE 08 STATE 171409

PERIOD OF ECON DEVELOPMENT "IN WHICH THE JAPANESE HOMELAND WILL BE LESS EXCLUSIVELY A PRODUCTION CENTER AND WILL BEGIN TO FUNCTION AS THE HEADQUARTERS OF A GLOBAL ECONOMIC SYSTEM... FOREIGN INVESTMENT WILL BE THE PRINCIPAL VEHICLE FOR THIS TRANSITION," AND WILL REFLECT, AMONG OTHER THINGS,

"NEED TO SHIFT A PART OF PRODUCTION OFFSHORE IN RESPONSE TO GROWING DOMESTIC SHORTAGES, A GROWING TRADE SURPLUS AND PROTECTIONIST PRESSURES IN PRINCIPAL OVERSEAS MARKETS."

17. AP DAMASCUS (WSJ) REPORTS ARAB BOYCOTT HQS ANNOUNCING BLACKLISTING OF SONY FOR DEALING WITH ISRAEL.

18. MITI REPORTED AUG. 3 THAT EXPORT CONTRACTS CERTIFIED BY GOJ DURING JULY HITTING ALL-TIME MONTHLY HIGH OF 5.669 BILLION DOLLARS, REPRESENTING INCREASE OF 60.8 PERCENT OVER SAME MONTH LAST YEAR. PREVIOUS MONTHLY RECORD WAS 5.194 BILLION RECORDED IN JUNE THIS YEAR (UPI, PHINQ).

19. NISSAN ANNOUNCES IT WILL REDUCE DATSUN EXPORT SHIPMENTS TO US ABOUT THIRD THIS OCT. (REUTER, CHITRIB).

20. MAGNAVOX FILES SUIT ASKING TREASURY DEPT. TO IMPOSE ADDITIONAL DUTIES ON JAPANESE TV SETS IMPORTED INTO US BECAUSE JAPANESE MANUFACTURERS ARE BEING SUBSIDIZED WITH "BOUNTIES OF GRANTS" BY GOJ (WSJ; REUTER, CHITRIB).

THAILAND

21. CSM'S PEAGAM IN YALA REPORTS INCREASING ARMED CONFRONTATION BETWEEN THAI POLICE AND SMALL GROUPS OF FUGITIVES IN S. THAILAND. IN PAST FEW WEEKS POLICE POSTS HAVE BEEN REINFORCED AND HEAVILY GUARDED ARMY CAMPS INSTALLED IN SOME REMOTE AREAS. GOV. OF YALA PROVINCE SAYS IN PAST MONTH 10 POLICE AND SIMILAR NUMBER OF GUERRILLAS KILLED. YALA AREA, RICH AND FERTILE, IS DOUBLY STRATEGIC BECAUSE OF SEARCH FOR OFF-SHORE OIL; HAS HISTORY OF MUSLIM SEPARATISM AND BANDITRY. NOTES THAT THAI AUTHORITIES ARE DIVIDED ON BEST WAY TO TACKLE PROBLEM. CIVILIAN OFFICIALS SEEM AWARE OF NEED FOR SOCIAL UNCLASSIFIED

PAGE 09 STATE 171409

AND ECON IMPROVEMENTS, BUT POLICE AND MIL APPEAR TO THINK ONLY IN TERMS OF SUPPRESSION CAMPAIGNS. RTA MAJGEN SANT CHITPATIMA, SOUTHERNER HIMSELF, RECENTLY GIVEN ABSOLUTE POWER IN SOUTH WITH AIM OF RESTORING ORDER THERE, AND SAYS HE PREFERS NOT TO USE FORCE. HOWEVER, LARGE-SCALE SHOW OF PARAMIL STRENGTH IS UNDER WAY IN MOST SENSITIVE AREAS (INCLUDING PROVINCES OF YALA, NERATHIWAT, AND PATTANI), AND REMAINS TO BE SEEN WHETHER THIS WILL CALM SITUATION OR INFLAME MUSLIM RESENTMENT EVEN MORE, AS SOME EXPERTS EXPECT.

22. COMMODITY NEWS SERVICE (JOC) REPORTS THAILAND HAS SIGNED ANOTHER AGREEMENT TO SUPPLY JAPAN WITH

1.2 MILLION TONS OF CORN IN 1974-75, ACCORDING USDA, WHICH THINKS THAILAND CAN MAKE FULL DELIVERY. USDA EXPLAINED THAT ALTHOUGH THAILAND HAS BEEN UNABLE IN PAST TO MEET ALL SALES AGREEMENTS WITH JAPAN, CURRENT THAI CORN PRODUCTION FORECASTS SUGGEST COUNTRY SHOULD BE ABLE TO MEET ITS JAPANESE COMMITMENT THIS YEAR.

PHILIPPINES

23. UPI (PHINQ, CHITRIB) REPORTS FIGHTING BETWEEN GOP TROOPS AND MOSLEM REBELS SPREADING TO DARONG,

ABOUT 7 MILES FROM DOWNTOWN DAVAO, ACCORDING TRAVELERS FROM AREA MONDAY.

24. AP MANILA REPORTS BROOKLYN-BORN JESUIT PRIEST, REV. WILLIAM MASTERSON, WINNING 1974 MAGSAYSAY AWARD FOR INTERNATIONAL UNDERSTANDING. MASTERSON RAISED MORE THAN 4 MILLION DOLLARS FOR POSTWAR REHABILITATION IN PHILS (AP, NYPOST 8/5).

25. AP MANILA (PHINQ) REPORTS PRESIDENTIAL PRESS STAFF ANNOUNCEMENT THAT MRS. MARCOS WAS ADMITTED TO HOSPITAL MONDAY FOR TREATMENT OF "SUSPECTED UPPER RESPIRATORY VIRAL INFECTION."

UNCLASSIFIED

PAGE 10 STATE 171409

AUSTRALIA/NZ

26. REUTER BRISBANE REPORTS CHARLES PERKINS, AUSTRALIA'S MOST SENIOR ABORIGINES PUBLIC SERVANT AND ASSISTANT SECRETARY OF DEPT OF ABORIGINAL AFFAIRS, MAKING ACCUSATION ON TV LAST NIGHT OF ACTS OF BRUTALITY AGAINST ABORIGINAL TRIBESMEN ON PART OF AMERICAN CATTLEMEN IN NORTHERN AUSTRALIA. PERKINS CHARGES: "AT TWO LARGE CATTLE STATIONS (RANCHES) IN THE KIMBERLEYS OF WESTERN AUSTRALIA OWNED BY AN AMERICAN COMPANY, A BULLDOZER WAS USED TO DESTROY SHANTIES ABORIGINES WERE LIVING IN AND ABORIGINES HAVE BEEN SHOT AT ON CATTLE STATIONS OWNED BY AMERICANS IN THE BOTTOM PORTION OF ARNHEMLAND." PERKINS SAYS ACTS OF VIOLENCE NOT ONLY PERPETRATED BY AMERICANS; BUT THEY "ARE THE WORST."

27. AP SYDNEY (CHITRIB AUG 5) REPORTS AUSSIE PARLIAMENT WILL HOLD FIRST JOINT SESSION AUG 6. NOTES WHITLAM CALLED SENATE AND HOUSE INTO JOINT SESSION AFTER SENATE REJECTED SEVERAL KEY PIECES OF GOVT'S LEGISLATIVE PACKAGE. HISTORIC EVENT TO BE TELEVISED (AFP, PHINQ; NYPOST 8/5).

28. AP MOSCOW (NYT) REPORTS AUSSIE EMBASSY SAYING GOA HAS OFFICIALLY RECOGNIZED SOVIET SOVEREIGNTY OVER LATVIA, LITHUANIA AND ESTONIA.

29. COMMODITY NEWS SERVICE (JOC) REPORTS USDA PUBLICATION SHOWING THAT USSR IS ON WAY TO BECOMING NZ'S BEST MUTTON CUSTOMER. JAPAN, PREVIOUSLY NZ'S BEST MUTTON BUYER, HAS SEVERELY RESTRICTED ITS MUTTON PURCHASES, BUT THOSE BUYS STILL EXPECTED TO HELP RELIEVE PRESSURES ON NZ STOCKS.

COMMENT AND ANALYSIS

KOREA

30. BOSTON H-A (AUG 1) OBSERVE THAT ROKG POLICIES HAVE COME INCREASINGLY UNDER QUESTION HERE AS UNCLASSIFIED

PAGE 11 STATE 171409

RESULT OF POLITICAL EXCESSES USED TO SILENCE DEMOCRATIC VOICES AMONG STUDENT GROUPS, POLITICAL OPPONENTS AND RELIGIOUS LEADERS. NOTES THAT EXCESSES HAVE BEEN SO VIOLENT, SERIOUS QUESTIONS HAVE BEEN RAISED IN CONGRESS. HAK RELUCTANTLY TOLD CONGRESS SUBCOMMITTEE THAT WHILE ADMIN OPPOSES DISCONTINUING AID TO SK, IT "CANNOT APPROVE" REPRESSION THERE. EDITORIAL COMMENTS THAT HAK REMARK IS DEPARTURE FROM DIPLOMATIC LANGUAGE USUALLY EMPLOYED TO DISCUSS AN ALLY, ADDING, "IT COULD BECOME NECESSARY TO USE EVEN MORE BLUNT TERMS IF RELATIONS CONTINUE TO BE STRAINED BY THE EXCESSES OF POLICE RULE."

CHINA

31. FROM HK, LAT'S ELEGANT (AUG 4) NOTES THAT WHILE IT IS AMONG MAO'S GOALS TO CREATE NEARLY PERFECT EQUALITY AMONG ALL CHINESE, CHINESE STILL LAY EMPHASIS ON GRADES AND PRIVILEGE AMONG FOREIGN VISITORS, AND ARE EVEN MORE KEENLY AWARE OF DISTINCTION AMONG THEMSELVES. CITES UNOFFICIAL SURVEY BY WEEKLY CHINA NEWS ANALYSIS AS REVEALING AN INTRICATELY CLASSIFIED STRUCTURE OF RANKS, WAGES, AND PERQUISITES FOR CCP MEMBERS, GOVT. BUREAUCRATS, ETC.

INDOCHINA

32. NYPOST (AUG 5) NOTES REPORT OF HFAC INVESTIGATORS -- "CONFIRMED" EARLIER BY NEWS CORRESPONDENTS ON SCENE -- THAT AMB. DEAN HAS BEEN "ROUTINELY AND AGGRESSIVELY ADVISING" GKR ON HOW TO ORGANIZE, RUN AND DEPLOY

FANK AND PROVIDING STRATEGIC AND TACTICAL OPINIONS
IN CAMBODIA FIGHTING. ASSAILS DEAN AS "DANGEROUSLY
WILLFUL DIPLOMAT" WHO "SEEMS TO BELIEVE THAT HE IS
ATTACHED" TO DOD, RATHER THAN DOS, AND SAYS ENVOY'S
ACTIONS "NOT ONLY INVITE BUT DEMAND ACTION BY THE
COMMITTEE TO HELP ASSERT THE WILL OF CONGRESS" OVER
HIM.

33. CSM PRINTS MILWAUKEE JOURNAL EDITORIAL WELCOMING 7.2
UNCLASSIFIED

PAGE 12 STATE 171409

MILLION DOLS US IS ALLOCATING FOR FY 1974 RELIEF OF

SVN CHILDREN -- EVEN THOUGH SUM "IS PEANUTS" COMPARED TO
ISSUES INVOLVED AND DEGREE OF US RESPONSIBILITY.
ENDORSES AID DECISION TO WORK WITH VOLAGS RATHER
THAN THROUGH GVN, AND MAINTAINS NEXT STEP IS FOR US
TO EASE RED TAPE INVOLVED IN AMERICANS ADOPTING VN
CHILDREN. KISSINGER

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